

FISCAL NOTE

SB 742 - HB 565

March 25, 1997

SUMMARY OF BILL: Requires that all returns prepared by the Department of Revenue ask whether the taxpayer had made a purchase of tangible personal property with a value greater than \$500 from outside the state during the past twelve months. Also provides that Department would verify whether the taxpayer had paid sales or use tax on such a purchase and make efforts to collect such tax if it had not been paid.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$24,000 One Time
- \$2,500 Recurring
Increase State Revenues - Exceeds \$100,000 Over Time**

Assumes that the Department of Revenue would experience increased cost due to printing costs for revising forms and for computer system modifications.

Also assumes an increase in state revenues over time from the collection of tax on purchases identified through the provisions of this bill that would not have been identified in the absence of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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